INDOCHINA

New aggressiveness on the part of the French and increased Chinese aid to the Viet Minh highlight the Indochina military picture. Latest reports on the French operation at Langson indicate that perhaps 5,000 tons of materiel were destroyed at this major supply center, only 10 miles from the China border. A thousand brand new Skoda automatic rifles were seized. The Viet Minh apparently was caught completely off balance and effered negligible opposition.

This operation's psychological impact on both Viet Minh and French will probably overshadow its strategic significance. In Paris it will at least temporarily lessen the pressure against continuing the French effort and bring added support for General Navarre's plan to carry the war into Viet Minh territory.

sources state that China is now delivering 25X1X upwards of 1,000 tons of applies a month, as compared with the previous menthly average of 500 tons in 1952. Although this increase may be a temporary one, transport improvements on both sides of the border suggest that an augmented program may be maintained.

There are as yet no indications of the Viet Minh's autumn campaign plans.

25X1X

25X1X

the enemy has four alternatives: (1) a massive attack on the Tonkin delta; (2) a renewal of last

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spring's offensive in Laos; (3) an attack against the one remaining French strongpoint in northwestern Tonkin--Laichau--in order to extend and consolidate gains of last fall in that area; and, (4) an attack against important French coastal installations in the Hue-Tourane area of Central Vietnam. The second two of these alternatives would have little of the strategic significance of the first two.

Meanwhile we have a report that the Viet Minh commander-in-chief is in Central Annam on an inspection tour preparatory to opening a campaign there. The French also fear the Viet Minh might stage a surprise attack on Luang Prabang in Laos. Most of the defensive units moved there last spring have been returned to the delta or moved to positions farther south.

The relationship between France and the Associated States will be renegotiated following the French 3 July policy declaration. That declaration, however, evaded the basic issue of whether the Associated States have the right to withdraw from the French Union. Uncertainty regarding French intentions continues among the Indochinese and still inhibits the fight against the Viet Minh. The Cambodian government answered the 3 July note with sixty specific demands which in effect asked that France transfer all remaining powers and services in advance of negotiations.

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The Vietnamese government has been outwardly conciliatory but is obviously waiting to profit by any concessions won by Cambodia.